



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D.C. 20410-9000

THE GOVERNMENT NATIONAL  
MORTGAGE ASSOCIATION

November 6, 2002

02-24

MEMORANDUM FOR: All Participants in Ginnie Mae Programs

FROM: George S. Anderson, Executive Vice President

SUBJECT: New Policy for Repurchase of Loans

This memorandum addresses the repurchase of delinquent loans from Ginnie Mae pools. The current policy, as stated in Chapter 18-3(B) of the Ginnie Mae Mortgage-Backed Securities Guide 5500.3 ("Guide"), is being revised. This change represents Ginnie Mae's commitment to ensure that Ginnie Mae securities remain the most attractive in the world.

Effective for loans placed in pools with an issue date of January 1, 2003, and thereafter, the provision in Chapter 18-3(B)(1) of the Guide is hereby eliminated. Thus, issuers **may no longer** repurchase pooled loans when at least one missed payment remains uncured for four consecutive months.

The only occasion under which issuers may repurchase delinquent loans is when no payment is made for three consecutive months. For example, if no payment is made for the months of March, April, and May, the issuer may repurchase the loan out of the pool after June 1. The relevant guide change is attached.

Should you have any questions, please contact your Ginnie Mae Account Executive at (202) 708-1535.

Attachment

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION  
MORTGAGE-BACKED SECURITIES GUIDE 5500.3

Change 19

CHAPTERS

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